

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES  
GLOBAL RESELLER EXPEDITED PACKAGE CONTRACTS 2  
(MC2013-51 AND CP2013-64)  
NEGOTIATED SERVICE AGREEMENT

Docket No.  
CP2020-234

**NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING  
MODIFICATION ONE TO GLOBAL RESELLER EXPEDITED PACKAGE 2  
NEGOTIATED SERVICE AGREEMENT**  
(August 12, 2021)

In Order No. 5624, the Postal Regulatory Commission (Commission) included the agreement in the docket number listed above (Agreement) within the Global Reseller Expedited Package Services 2 (MC2013-51) product.<sup>1</sup>

Attached to this notice, as Attachment 1, is a redacted version of Modification One to the Agreement. The modification revises Articles 2, 6, 7, 11, 14, and 34 of the Agreement, changes Article 11 so that the Agreement will remain in effect until August 31, 2022, and adds Annexes 1A, 2A, and 3A to the Agreement. In addition, this filing includes a redacted version of the certified statement required by 39 C.F.R. § 3035.105(c)(2) as Attachment 2, as well as redacted revised financial workpapers. The intended effective date of Modification One is September 1, 2021.

The Postal Service is filing under seal Modification One, the certified statement, as well as revised supporting financial workpapers in separate Excel files, for the contract that is the subject of this docket. With respect to the non-public versions of Modification One, the certified statement, and revised supporting financial documents

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<sup>1</sup> PRC Order No. 5624, Order Approving Additional Global Reseller Expedited Package Services 2 Negotiated Service Agreement, Docket No. CP2020-234, August 11, 2020, at 6.

filed under seal, the Postal Service hereby incorporates its Application for Non-Public Treatment filed in conjunction with its notice dated July 29, 2020, in this docket.<sup>2</sup> In addition, the Postal Service recently provided notice to all foreign postal operators within the Universal Postal Union network through an International Bureau Circular issued on December 21, 2020, that the Postal Service will be regularly submitting certain business information to the Commission. Some UPU-designated foreign postal operators may have a proprietary interest in such information. The circular includes information on how third parties may address any confidentiality concerns with the Commission.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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August 12, 2021

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<sup>2</sup> Notice of United States Postal Service of Filing a Functionally Equivalent Global Reseller Expedited Package 2 Negotiated Service Agreement and Application for Non-Public Treatment of Materials Filed Under Seal, Docket No. CP2020-234, July 29, 2020, Attachment 4.

**MODIFICATION ONE TO THE  
GLOBAL CUSTOMIZED MAIL AGREEMENT BETWEEN  
THE UNITED STATES POSTAL SERVICE AND**

This Modification amends the Global Customized Mail Agreement ("Agreement") between [REDACTED] ("Reseller"), with offices at [REDACTED] and the United States Postal Service ("USPS or the "Postal Service"), an independent establishment of the Executive Branch of the United States Government, with offices at 475 L'Enfant Plaza SW, Washington, DC 20260-9998, signed by the Reseller on June 11, 2020, and by the USPS on June 12, 2020. The Reseller and the USPS may be referred to individually as a "Party" and together as the "Parties."

The purpose of this Modification is to make the following seven changes to the Agreement.

First, the following paragraph (9) is added to Article 2.

(9) "Modification One Effective Date" means the first date on which USPS is willing to accept Qualifying Mail in accordance with Modification One to this Agreement.

Second, Article 6 is replaced with the following.

**6. Obligations of the Reseller.** The Reseller hereby agrees: (1) Prices that Reseller is to Pay to USPS. To pay postage to the USPS for Qualifying Mail in accordance with the prices in the Annexes to this Agreement. (a) Until 11:59 p.m. on the day prior to the Modification One Effective Date, the Reseller will continue to pay postage according to Annex 1, Annex 2 and Annex 3. (b) From the Modification One Effective Date until the expiration date of this Agreement, the Reseller will pay postage according to Annex 1A, Annex 2A and Annex 3A attached hereto, subject to the terms and conditions of this Agreement, including Article 7. (2) Payment Method. (a) To pay postage to the USPS through the intermediary of one or more PC Postage Providers of the Reseller's choosing provided that the PC Postage Provider(s) is listed as approved in DMM 604.4.1.4, and capable of both (i) programming rates based on this Agreement, and (ii) complying with USPS reporting requirements related to this Agreement. (3) Advance Notification. To provide the Manager, Customized Mail, USPS, via e-mail to icmusps@usps.gov, with (a) notification of the USPS-approved PC Postage Provider(s) the Reseller intends to use at least fifteen (15) days in advance of the first use of that PC Postage Provider(s) in connection with this Agreement; (b) notification of the Reseller's intent to add an additional PC Postage Provider(s), or to cease using a particular PC Postage Provider(s), at least fifteen (15) days in advance of the date of the intended change; (c) any and all relevant information required to identify a particular sender tendering Qualifying Mail to the USPS under the pricing terms of this Agreement, as quickly as possible after the relevant information has been determined; and (d) notification of new PC Postage Provider account number(s) used for Qualifying Mail ten (10) days in advance of using the new PC Postage Provider account numbers. The message should include the PC Postage Provider account number, the name of the PC Postage Provider account owner, and the requested implementation date. (4) Tender. To require that the Reseller's Customers present the mailings to the USPS using any means of tender the USPS authorizes for items paid for by use of PC Postage with the exception of tender at a Bulk Mail Entry Unit or a USPS retail window of any post office. (5) [REDACTED]

[REDACTED] (6) Customs, Export, and Other Requirements. To comply with and require the Reseller's Customers to comply

with any regulation or order promulgated by the USPS, OFAC, the U.S. Department of the Treasury, the U.S. Census Bureau, BIS, the U.S. Department of Commerce, the U.S. Department of State, the U.S. Customs & Border Protection, the U.S. Fish and Wildlife Service, the Transportation Security Administration, a destination country foreign government, or other governmental unit, in accordance with any requirements specified by those authorities. See IMM 5 for additional information. The Reseller further understands and agrees to notify the Reseller's Customers that any non-compliance may lead to fines, denial of mailing privileges, and/or other penalties, including, but not limited to, the payment of any fines, penalties, expenses, damages, and/or other charges assessed to the Postal Service and resulting from the Reseller's Customers' failure to comply with applicable laws and regulations of the origin country, destination country, or any country through which a mailing tendered under this Agreement passes. (7) Software. To require the Reseller's Customers to apply address labels and Customs declarations to Qualifying Mail using the software provided by the approved PC Postage Provider which the Reseller has identified as its chosen postage payment intermediary. (8) Data Transmission. To exchange electronic information with the USPS according to the instructions the USPS provides. (9) [REDACTED]

[REDACTED] (10) Postage Due. To pay postage due to the USPS as a result of discrepancies between the PC postage applied by the Reseller's Customers, and the actual postage due to the USPS under this Agreement. (11) Confidentiality. To treat as confidential and not disclose to third parties, absent express written consent by the USPS, any information related to this Agreement that is treated as non-public by the Postal Regulatory Commission. (12) Compliance. To comply with all applicable USPS regulations and orders, and in good faith, to seek to comply with all other applicable laws and regulations. (13) Penalties. To pay any fines or penalties, as well as any other expenses, damages, and/or charges (including any applicable duties, taxes, and/or fees vis-a-vis any federal agency other than the USPS), to the extent such are due and owing, and are no longer eligible to be contested by the Reseller (a) that result from an action of any governmental entity that regulates exports and/or imports in relation to any item tendered under this Agreement, or (b) that result from the Reseller's and/or Reseller's Customer's failure to comply with applicable laws and regulations of the origin country, destination country or any country through which a mailing tendered under this Agreement passes (including failure to provide necessary documentation and/or failure to obtain any required license or permit). (14) Items Destined to Cuba. For all items destined for Cuba, the Reseller shall take all necessary measures to ensure that the Reseller's Customers comply with all applicable BIS and OFAC provisions and ensure that electronic export information about shipments under this Agreement destined to Cuba are properly filed, if necessary, under regulations of the Bureau of Census. (15) Notice of Investigations, Prosecutions, or Proceedings. [REDACTED]

[REDACTED] (16) At the discretion of the USPS, Qualifying Mail under this Agreement may be carried through an alternative delivery provider in lieu of the designated foreign postal operator serving that country. To the extent that Reseller wishes to continue to send Qualifying Mail to any such destination country for which final delivery is furnished by an alternative delivery provider, Reseller agrees to abide by any additional preparation requirements prescribed by the USPS, which shall be set forth in an alternative delivery provider Preparation Requirements Document furnished by USPS to the Reseller with reasonable advance notice. Delivery by an alternative delivery provider is subject to terms and conditions determined in the sole discretion of the USPS, and may be subject to change. Such terms and conditions could affect certain product features, terms, and conditions that are set forth in this Agreement or the IMM.

Third, Article 7 is replaced with the following.

#### 7. Postage Updates [REDACTED]



Fourth, Article 11(1) of the Agreement is replaced with the following.

**11. Term of the Agreement** (1) The USPS will notify the Reseller of the Effective Date of the Agreement within thirty (30) days after receiving the approval of the entities that have oversight responsibilities for the USPS. In addition, the USPS will notify the Reseller of the Modification One Effective Date as soon as possible, but no later than thirty (30) days after receiving the approval of the entities that have oversight responsibilities for the USPS. This Agreement shall remain in effect until 11:59 p.m. on August 31, 2022, unless the Agreement is terminated sooner pursuant to Article 12, Article 13, or Article 35.

Fifth, Article 14(2) and 14(3) of the Agreement are replaced with the following

(2) The obligations of the Parties with respect to confidentiality, as provided for in Article 5, Paragraph 3; Article 6, Paragraph 11; and Article 16 will expire ten (10) years from the date of termination or expiration of this Agreement. (3) The obligations of the Parties with respect to notice and payment of postage due, as provided for in Article 5, Paragraph 2, and Article 6, Paragraph 10, will expire ninety (90) days from the date of termination or expiration of this agreement.

Sixth, Article 34(3) of the Agreement is replaced with the following.

(3) that the Reseller is not aware of any pending investigations that would be subject to the notice obligation under Article 6, Paragraph 15;

Seventh, Annexes 1A, 2A, and 3A attached to this Modification are added to the Agreement.

All other terms and conditions of the Agreement shall remain in force.

The Parties acknowledge and understand that all obligations of the USPS under this Modification shall be contingent on the USPS receiving approvals (hereinafter "Conditions Precedent") from one or more internal and external bodies that have oversight responsibilities. Conditions Precedent may include, but are not limited to: approvals or, if applicable, non-objection, from responsible USPS management officials, the USPS Board of Governors, the USPS Governors, the Postal Regulatory Commission, and/or any other governmental body with oversight responsibility for the USPS. The Parties acknowledge that this Modification may not be approved by such individuals or bodies. Until such time that all Conditions Precedent are fulfilled that are necessary to allow the USPS to provide the products or services contemplated under the Agreement, no obligation shall exist for the USPS and no benefit shall inure to either Party. In the event that the Conditions Precedent are not fulfilled, the USPS shall have no liability, which shall include no obligation to pay costs associated with any action taken by the Reseller prior to the Effective Date of this Modification. Further, in the event of termination of the Agreement or the failure of any Condition Precedent, the USPS shall not be held liable for any damages including, without limitation, actual, special, indirect, incidental, punitive, consequential, or any other damages, which shall include but not be limited to damages for loss of business profits; business interruption; any other loss; and/or any costs incurred by either Party attributable to such non-approval such as attorney's fees.

The Reseller acknowledges that this Modification and supporting documentation will be filed with the Postal Regulatory Commission ("Commission") in docketed proceedings (CP2020-234). The Reseller authorizes the USPS to determine the scope of information that must be made publicly available in any Commission docketed proceeding in which information related to this Modification must be filed. The Reseller further understands that any unredacted portion of the Modification or supporting information will be available on the Commission's public website, <http://www.prc.gov>. In addition, the USPS may be


required to file information in connection with this Modification (including revenue, cost or volume data) in other Commission dockets, including the Commission docket number for the Annual Compliance Report (ACR) for the USPS fiscal year(s) in which this Agreement is in effect. Each ACR docket has a distinct docket number, such as ACR202#, in which "202#" signifies the USPS fiscal year to which the ACR pertains. The Reseller has the right, in accordance with the Commission's rules, to address its confidentiality concerns directly with the Commission. The procedure for making an application to the Commission for non-public treatment of materials believed to be protected from disclosure is found in part 3011 of the regulations concerning the Commission in Title 39 of the Code of Federal Regulations.

The Parties may execute this Modification in one or more counterparts (including by facsimile or by electronic means such as .pdf format). Not all Parties need be signatories to the same document. All counterpart signed documents shall be deemed an original and one instrument.

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In witness whereof, this Modification is deemed executed on the latter of the two dates accompanying the Parties' signatures.

**ON BEHALF OF THE UNITED STATES POSTAL SERVICE:**

Signature: \_\_\_\_\_  \_\_\_\_\_  
Name: \_\_\_\_\_ Anthony Gibson \_\_\_\_\_  
Title: \_\_\_\_\_ A/Executive Director Sales \_\_\_\_\_  
Date: \_\_\_\_\_ 8/10/2021 \_\_\_\_\_

**ON BEHALF OF** \_\_\_\_\_

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_ 8/5/2021 \_\_\_\_\_

ANNEX 1A	PMEI ANNEX – PRICES FOR PRIORITY MAIL EXPRESS INTERNATIONAL QUALIFYING MAIL
ANNEX 2A	PMI ANNEX – PRICES FOR PRIORITY MAIL INTERNATIONAL QUALIFYING MAIL
ANNEX 3A	FCPIS ANNEX – PRICES FOR FIRST-CLASS PACKAGE INTERNATIONAL SERVICE QUALIFYING MAIL

**ANNEX 1A PMEI ANNEX –  
PRICES FOR PRIORITY MAIL EXPRESS INTERNATIONAL  
QUALIFYING MAIL**

Postage prices for Priority Mail Express International Qualifying Mail items under this Agreement are as follows.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**ANNEX 2A PMI ANNEX –  
PRICES FOR PRIORITY MAIL INTERNATIONAL QUALIFYING MAIL**

Postage prices for Priority Mail Qualifying Mail items under this Agreement are as follows.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



**ANNEX 3A FCPIS ANNEX –  
PRICES FOR FIRST-CLASS PACKAGE INTERNATIONAL SERVICE QUALIFYING MAIL**

Postage prices for First-Class Package International Service Qualifying Mail items under this Agreement are as follows.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**Certification of Prices for the Global Reseller Expedited Package Contract  
with [REDACTED]**

I, Karen Meehan, Manager, Director, International Pricing and Financial Reporting, United States Postal Service, am familiar with the prices for the Global Reseller Expedited Package Contract with [REDACTED]. The prices contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates, issued February 7, 2019 (Governors' Decision No. 19-1), which established prices by means of price floor formulas.

I hereby certify that the numerical cost values underlying the prices in the [REDACTED] contract are the appropriate costs to use in the formulas and represent the best available information. The prices, resulting in a cost coverage of in excess of the minimum required by the Governors' Decision are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). The prices demonstrate that the Contract should cover its attributable costs and preclude the subsidization of competitive products by market dominant products. International competitive mail accounts for a relatively small percentage of the total contribution by all competitive products. Contribution from Global Reseller Expedited Package Contracts should be even smaller. The Agreement with [REDACTED] should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

Karen Meehan

Digitally signed by Karen  
Meehan  
Date: 2021.08.11 11:30:26 -04'00'

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Karen Meehan